

Exempts

SALES AND USE TAX EXEMPTIONS	EXPLANATION	TAX EXPENDITURE REPORT	ENACTED	
STRUCTURAL BUSINESS EXEMPTIONS				
Sale for Resale	Source: LB405 (2013) ESTIMATE	\$1,837,738,303	1967 (Repair Parts and Services); 1980 (Rolling Stock)	
Ingredient and Component Part		\$1,265,250,000	1967 (Repair Parts and Services); 1980 (Rolling Stock)	
Subtotal				\$3,102,988,303
OTHER MAJOR BUSINESS INPUTS				
Energy Used in Industry	Electricity, coal, gas, fuel oil, diesel fuel, tractor fuel, propane, gasoline, coke, nuclear fuel, butane, wood and corn as fuel if more than 50% used directly in industry	\$124,235,000	1967; amended 1985 to only apply when 50% or more used in certain industries	
Manufacturing machinery and equipment ("MM&E")		\$69,837,000	1981 Exempted all MM&E installed in newly-constructed or expanded facilities; 1985 became refund on MM&E used to produce "new" products; 2005 expanded to all MM&E	
Containers	Nonreturnable containers sold to persons who place contents in the container and sell the contents with the container	\$17,386,000	1967	
Molds and Dies	Used to manufacture a single product that is either injection-molded from plastic or stamped from metal	\$3,980,000	1995	
Subtotal				\$215,438,000
SPECIFIC BUSINESS EXEMPTIONS				

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Railroad Rolling Stock, Repair Parts and Services		\$18,337,000	1967 (Repair Parts and Services); 1980 (Rolling Stock)	
Minerals, Oil and Gas Severed from Real Property		\$10,654,000	1967	
Data Center Purchases	For assembly, processing, etc. into other TPP for subsequent use outside the state	\$1,674,000	2012	
Biochips		\$362,000	2012	
Subtotal				\$31,027,000
Common/Contract Carriers	Motor vehicles, watercraft, or aircraft			
Repair Parts and Services		\$8,863,000	1967	
Accessories	Which could have been included in the price list price at time of purchase	Not Available		
Safety Equipment	Required by federal or state regulatory agency	Not Available		
Subtotal				\$8,863,000
AGRICULTURE				
Animal Life	Food for human consumption or pelts used for human apparel	\$630,489,000	1967	
Water and Veterinary Medicines	For animal life that constitutes food for human consumption or pelts used for human apparel	\$299,782,000	1996	
Grains for Feed		\$167,043,000	1967	

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Energy Used in Farming	Same as general business exemption; includes use in irrigation.	\$82,805,000	1967; amended 1985 to only apply when 50% or more used in farming or irrigation	
Chemicals	Used on land, crops, or animal life whose products ordinarily constitute food for human consumption	\$77,617,000		1967
Machinery and Equipment ("M&E")	Used in "commercial agriculture."	\$60,090,000		1992
Seeds	Sold to commercial producers and used exclusively for ag purposes.	\$37,724,000		1967
Water for Irrigation	Includes water used in manufacturing	\$739,000		1967
Commercial Artificial Insemination		\$522,000		1971
Mineral Oil as Dust Suppressant	Applied to grain	\$206,000		2009
Animal Grooming	Performed by licensed vet or vet tech in conjunction with medical treatment	\$52,000		2009
Oxygen for Use in Aquaculture		Not Available		1993
Subtotal				\$1,357,069,000
TELECOMMUNICATIONS				
Access Charges	Telecom services between telecom companies	\$2,004,000		1989
Conference Bridging Services	If associated with telephone communications services	\$1,080,000		2009

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Prepaid Calling Arrangements	Prepaid arrangements; does not include prepaid calling cards which are taxed when purchased	\$838,000	1989
Nonvoice Data Services	Value-added, nonvoice data service associated with provision of telecom services	Not Available	2009
Subtotal			\$3,922,000
MISCELLANEOUS BUSINESS INPUTS			
Film Rentals	When tax is charged on the admission or service	\$149,000	1983
Syndicated Programming	For rebroadcast by radio or television	\$40,000	1994
Subtotal			\$189,000
CONSUMER BASED EXEMPTIONS			
Food or Food Ingredients	Excludes prepared food and food sold through vending machines	\$127,812,000	1983
Medical Equipment and Medicine	Rx drugs, durable med equipment, home med supplies, mobility-enhancing, prosthetic, oxygen.	\$114,346,000	1967
Motor Vehicle/Motorboat Trade-Ins		\$55,527,000	1967
SNAP Program		\$14,106,000	1983
School Lunches		\$3,541,000	1967

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Newspapers	Issued at least once a week; includes advertising inserts	\$2,274,000	1967
Meals Sold by Institutions at a Flat Rate	Fraternities, sororities, coop student societies and summer camps which charge single amount to attend	\$1,172,000	By Regulation 1-083.04, 1-083.05
Laundromats	Coin-op machines	\$444,000	1967
Tele-floral Deliveries	Deliveries made in state pursuant to instruction from florists in other states	\$230,000	By Regulation 1-052.03
Food for Elderly, Handicapped and SSI Recipients	Prepared food	\$40,000	2003
Motor Vehicle Discounts for the Disabled	Based on portion of purchase price paid by US Department of Veterans Affairs	\$10,000	1969
Subtotal			\$319,502,000
NONPROFITS, GOVERNMENT AND EXEMPT ENTITIES			
Purchases by Political Subdivisions	Estimate includes purchasing agents for public real estate construction improvements	\$315,477,000	1967
Purchases by Churches and Nonprofit Colleges and Medical Facilities		\$163,793,000	1967
Room Rentals by Certain Institutions	Licensed under Health Care Facility Licensure Act, college dorms and other facilities licensed by the State	\$63,966,000	1967
Contractor as Purchasing Agent for Public Agencies	Construction contractors appointed as purchasing agents	\$34,763,000	1980
Nebraska Lottery Tickets		\$15,539,000	1993

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Nonprofit Corporations Formed by Exempt Government Entities	Formed for sole purpose of issuing tax exempt bonds	\$5,125,000	By Regulation 1-093	
Nonprofit Nebraska-licensed Health Clinics	If owned or controlled by one or more hospitals or the parent corporation of the hospitals or when receives funds through U.S. PHS	\$2,290,000	By Regulation 1-090	
Meals Sold by Hospitals	When sold to patients and inmates	\$819,000	1967	
Sales on Native American Indian Reservations	Sold to Native American on the Reservation or to Tribal Council within Reservation boundaries	\$616,000	By Regulation 1-012.02C(22)	
Fine Art Purchases by a Museum		\$442,000	2006	
Nonprofit Nebraska-licensed Mental Health Centers	Only on purchases for use at the licensed facility	\$426,000	By Regulation 1-090	
Admissions to School Events		\$338,000	1967	
School-supporting Fundraisers	PTA's, Booster Clubs, etc.	\$285,000	1986	
Purchases by State Fair Board		\$67,000	1992	
Admission Charged by Organization Dedicated to Youth Development and Healthy Living	501(c)(3) Organizations; Includes entry fees to youth sports events	\$50,000	2012	
Sales by Religious Organizations	Annual Sales	\$27,000	1967	
Admission to Statewide Sports Events	501(c)(3) Organizations	\$20,000	2012	
Subtotal				\$604,043,000

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FUELS EXEMPT FROM SALES TAX	SUBJECT TO SEPARATE EXCISE TAXES			
Motor Fuels	Gas, diesel, compressed fuels delivered into the fuel tanks of vehicles; and railroad use	\$248,042,000		1967
Aviation Fuels	AV Gas and Jet A Fuel	\$8,216,000		1967
Subtotal				\$256,258,000
Grand Total				\$5,899,299,303